

## Abstract

### *“Purchasing potential analysis in the retail trade”*

#### **Area**

Purchase

#### **Keywords**

Purchasing potential analysis, purchasing systemisation, purchasing advantages, competitive advantages

#### **Study/project**

Study

#### **Starting point/project assignment/objective**

Achieving purchasing advantages in the retail trade is especially challenging. Given the unique nature of various products, such as branded items and store brands, it can be particularly challenging to achieve purchasing advantages. In the industrial sector, purchasing potential analysis is used to identify notable purchasing potential through visualisation of the current purchasing situation. Potential that can range between 10 and 20% is not uncommon. Such potential is unlikely in the retail trade, but even if some small degree of potential is identified through the use of purchasing potential analysis, then this is an advantage.

Given the special nature of retail purchasing, it is not possible to directly apply purchasing potential analysis to retail purchasing. Adjustments must be made.

The objective of the study was to determine the extent to which the purchasing situation in the retail trade can be mapped in purchasing potential analysis, whether purchasing potential analysis can be applied in this regard and which adjustments must be made.

## Procedure

- Adaptation of the basic ideas, particularly the modular concept, to the retail trade
- Adaptation of the principles and standard strategies
- Performance of portfolio analysis based on a defined product group
- Creation of individual portfolios and an overall portfolio
- Derivation of a target purchasing concept based on the defined product group
- Final illustration of the necessary adjustments

## Results/findings

It was shown that purchasing potential analysis can certainly be applied to the retail trade if adapted for the specific operation type and/or business strategy, though it does not produce the level of potential reflected in the industrial sector. Applicability depends on the purchasing organisation, i.e. the extent to which there is centralised, decentralised or mixed purchasing. It would appear to be a given that additional purchasing potential can be achieved by applying this method.

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